

PURCHASING

The purpose of this procedure is to establish a uniform method for purchases in the Town of Allenstown.

1. **Terms Defined:**

- a. Competitive bidding – is the process of achieving the best bid for supplies, equipment and contracted services for the Town.
- b. Price proposals – The process of receiving prices for goods or services when a limited number of vendors are available or where firm specifications are not available.
- c. Specs – The formal specifications designed by the Town to describe the product or services desired.
- d. Bid document – The plans and/or specifications provided by the Town.
- e. Bid proposal – Actual sealed bids.
- f. Opening of Bids.

2. **Bids Required:** Purchases of goods or services costing over \$3,000 shall be made on the basis of the sealed bid process. Once the process is complete, a purchase order should be submitted with the bill noting “per bid specs”.

Purchase of individual goods or services costing from \$1,000 - \$2,999 will require a purchase order and three (3) price quotes from vendors. The purchase order must be signed by the Department Head and pre-approved at a Selectmens's meeting by the majority of the Board of Selectmen. Should the Department Head deem that it is an emergency, they must contact the Chairman of the Board of Selectmen. The Chairman of the Board will contact the other members and within twenty-four (24) hours notify the Department Head of the decision. The Department Head will note on the purchase order the date, time and individual who approved the purchase.

Emergency as noted in Webster's dictionary states: An unforeseen Combination of circumstances or the resulting state that calls for Immediate action.

Any item costing between \$200 - \$999 will also require a purchase order pre-approved by the Board of Selectmen prior to the purchase being made. Purchase orders **ARE NOT** required for Heat, Electric, Phone, Fuel, Health/Dental Insurance, Retirement, Legal, Debt Payments, Welfare payments or contracted items with developers that are reimbursable, or contracts to entities like Tri Town Ambulance, CRVNA, and Community Action. Purchase orders must be filled out completely and the date must pre-cede the date of the invoice.

3. **Bid Process:** Department Heads shall develop detailed specifications for the desired product or service and submit the same with a request for a Bid proposal to the Administrative Assistant so that it can be placed in the Selectmen's review folder and/or mailboxes. The Selectmen will review the specifications and determine what the posting requirements will be. The bids will wither be posted in the newspaper and/or solicited from vendors by the Board of Selectmen or their designee. The request shall be timed to allow a five – (5) day processing period at the Office of the Selectmen, a fourteen – (14) day bidding period, and a seven – (7) day review period. All bids will be submitted to the Selectmen's Office no later than 2PM on Mondays, with the opening being at a regularly scheduled meeting of the Board of Selectmen.

- a. Notice: The following notice shall be issued with each bid proposal.

“The Town of Allenstown invites interested bidders to submit proposals on _____. (This will state what the agreement will be for or the service provided). All items submitted by the bidders will conform to the specifications published and/or plans and specifications. The specifications are designed to ensure that acceptable goods or services are received by the Town.

The Town of Allenstown reserves the right to reject any and all bids. Bid proposals will be evaluated by the Department Head, Administrative Assistant and the Board of Selectmen to ensure Compliance. The quality and the service of the bidder shall be Considered in determining the bid most advantageous to the Town.

Bids will be sealed and marked clearly on them the item that is being bid on.

- b. For bids involving constriction or building work, the following Statement will be included in the bid proposal:

The successful bidder must submit Proof of Liability, Workers Compensation and Bond Insurance within ten (10) days of the notice that they have been selected.

Bids will fully specify the work process to be followed if it deviates from the specifications enclosed by the Town. The successful bidder will specify a work schedule and the exact steps to be taken to accomplish the work required.

The performance and payment bonds shall be for the period of construction and for one (1) calendar year after completion.

4. **Waiver:** Any of the sections above may be waived by the Board of Selectmen at a regular meeting prior to the start of the bid process.
5. **Rejection of Bids:** Any bid may be rejected by the Town for, but not limited to , the following reasons:
 - a. Received unsealed by the Town.
 - b. Received after posted time.
 - c. Failure to comply with the specifications.
 - d. Inability of the vendor to perform or deliver the service or product.
6. **Rebid:** The Town reserves the right to rebid the item should no acceptable bids be received.
7. **Custody of Bids:** All bid proposals, documents and specifications will be the property of the Town and will be retained by the Selectmen.
8. **Contracts/Letters of Agreement:** All contracts and/or letters of agreement **WILL ONLY** be entered into by the Board of Selectmen. The Selectmen in writing **MUST** approve any item corrections, substitutions, or changes before the change can take place.